

## REMARKS

Please consider this Response under 37 CFR §1.105.

I) A copy of the following references (related to the field of inventory control for airline and hotel reservation systems) are attached:

- 1) US Patent No. 5,255,184 to Hornick, issued 10/19/1993.
- 2) US Patent No. 5,270,921 to Hornick, issued 12/14/1993.
- 3) US Patent No. 5,404,291 to Kerr, issued 4/4/1995.
- 4) US Patent No. 5,652,867 to Barlow, issued 7/29/1997.
- 5) US Patent No. 5,918,209 to Campbell, issued 6/29/1999.
- 6) US Patent No. 6,236,315 to Talluri, issued 7/17/2001.
- 7) S.L. Brumelle et al., "Airline Seat Allocation with Multiple Nested Fare Classes," Operations research, vol. 41 (No. 1), p. 127-137, (Jan.- Feb. 1993).
- 8) E.L. Williamson, "Airline Network Seat Inventory Control: Methodologies and Revenue Impacts," Flight transportation Lab Report R-92-3, MIT, (June 1992).

References 1, 3, and 6 provide processes for managing inventory control across an enterprise system and an online reservation system. Reference 2 provides a network flow based method that simplifies a solution of integer programming based methods. Reference 4 is a simulation system for estimating the impact of changing flight schedules on revenue. References 7 and 8 present point demand estimates.

II) Additional papers related to the field of inventory control for airline and hotel reservation systems, which cannot be readily obtained, include:

- 1) Ben Vinod, "Reservation Inventory Control Techniques to Maximize Revenues," The Third International Airline Management Conference, (Dec. 3, 1990).
- 2) R. Phillips, "A Marginal-Value Approach to Airline Origin and Destination Revenue Management," Decision Focus Incorporated (1994).
- 3) R. Simpson, "Using Network Flow Techniques to Find Shadow Prices for Market Demands and Seat Inventory Control," Flight Transportation Laboratory Memorandum M89-1 (1/1989).

Paper 1 presents a point demand estimate. Papers 2 and 3 present allocation limits for each fare class specified in terms of a price threshold by estimating a marginal value of a unit of inventory for a price class.

III) Materials related to the conference presentation "Accepting Bids Under Uncertain Future Demands," INFORMS Annual Meeting, Miami, Florida, November 5-8, 2001 cannot be readily obtained.

Early and favorable reconsideration of the case is respectfully requested.

Respectfully submitted,

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